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INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY
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RUEKJCS/SECDEF WASHDC PRIORITY
RUEKJCS/JOINT STAFF WASHINGTON DC PRIORITY
RUEHBJ/AMEMBASSY BEIJING 4726
RUEHBY/AMEMBASSY CANBERRA 2013
RUEHNE/AMEMBASSY NEW DELHI 1587
RUEHUL/AMEMBASSY SEOUL 4404
RUEHKO/AMEMBASSY TOKYO 1529
RUEHWL/AMEMBASSY WELLINGTON 2332
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C O N F I D E N T I A L SECTION 01 OF 03 JAKARTA 000325

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TAGS: [PREL](#) [MASS](#) [MARR](#) [ID](#)
SUBJECT: DEFENSE COOPERATION -- ENHANCING INDONESIA'S AIR
CAPABILITIES

REF: A. JAKARTA 3155
[1](#)B. JAKARTA 2725

Classified By: Pol/C Joseph Legend Novak, reasons 1.4 (b+d).

[1](#)1. (C) SUMMARY: U.S. Air Force Deputy U/S Lemkin told the Indonesian DefMin on February 15 that the U.S. was prepared to help Indonesia develop its air capabilities by broadening bilateral cooperation through sales and upgrades of F-16s and further training and exercise opportunities. Sudarsono said he would review the ideas. He acknowledged the quality and cost-effectiveness of U.S. equipment, but noted tight budgetary priorities and said airlift would take priority over fighters. END SUMMARY.

BUILDING CAPABILITIES

[1](#)2. (C) In their February 15 meeting, Deputy Under Secretary Bruce Lemkin told Defense Minister Juwono Sudarsono that the purpose of his visit was to present a wide range of medium- and long-term cooperation opportunities with the Indonesian Air Force. His visit had strong interagency support in Washington. The United States was interested in working with Indonesia as a partner to help Indonesia meet its defense requirements and to build a strong bilateral relationship. Indonesian needs seemed to include assistance combating piracy and illegal commercial activities, etc., and assistance building capabilities in humanitarian assistance and disaster relief. Interoperability was an added benefit which would flow from cooperation.

[1](#)3. (C) Continuing, Lemkin noted that U.S. equipment was superior to that of other suppliers in quality and in the support and maintenance packages that ensured sustainability over many years. Since the lifting of sanctions two years ago, the USG had helped Indonesia recover F-16 engines from Singapore and obtain C-130 spare parts from Australia, to name two examples, and had allocated \$16 million in Foreign Military Financing (FMF) assistance to provide for a program of depot maintenance.

EQUIPMENT RECOMMENDATIONS: F-16, C-130, AT-6

14. (C) Lemkin discussed several U.S. products, including:

-- F-16s: purchase of new models would give Indonesia the same model that the United States used to protect its own security, while mid-life upgrades of older Indonesian F-16s could augment that capability in the medium term at reduced cost; the F-16s would place Indonesia in line to acquire the Joint-Strike Fighter in the future. (Reftels detail the F-16 deals under consideration.)

-- Airlift: the C-130J offered state-of-the-art civil-military use and was proving to be extremely popular, with orders from at least 30 countries, including some which had not previously purchased U.S. equipment. It would therefore offer economies of scale in pricing and servicing. The C-27J was also available for joint cargo use.

-- AT-6: A central component of USAF and USN fleets, the turboprop could replace Indonesia's grounded U.S.-made OV-10 light-attack fleet to enhance national air sovereignty and perform search-and-rescue missions; U.S. and allies' orders totaled over 1000, and the plane would be supported until at least 2050.

TRAINING, EXCHANGE, EXERCISE OPPORTUNITIES

15. (C) Lemkin noted that Indonesia planned to participate in the Global Hawk Capabilities Forum in Honolulu, Hawaii, in April 2008, which would analyze information provided from actual Global Hawk flights. Other training, exchange and exercise opportunities which Lemkin outlined included:

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-- Air Operations Center Development, through education, training and systems;
-- exchange of students to respective air war colleges, Air Command and Staff College and Squadron Officer School;
-- Aviation Leadership Program (one student pilot in training in 2008, one to be offered in 2009);
-- USAF Academy (TNI AF had been invited to send candidates in 2008, 2009);
-- USAF Military Personnel Exchange Program (a C-130 maintenance officer in 2010, possible C-130 pilot exchange in 2013);
-- bilateral exercises (COPE INDUSA), one per year; and,
-- bi-annual Pacific Airlift Rally (which Indonesia hosted in August 2007).

The long-term goal was Indonesian fighter or airlift participation in a U.S. Red Flag exercise in Nevada or Alaska. (Note: A "Red Flag" exercise is a large-scale U.S. exercise with friendly or allied forces.)

SUDARSONO CITES TIGHT BUDGET, AIRLIFT PRIORITY

16. (C) Sudarsono thanked Lemkin for the briefing and acknowledged the high quality and cost-effectiveness of U.S. military equipment and its support. He would review the U.S. presentation with DEPHAN officials and TNI chiefs with a view to procurement planning for the next decade. If he were making the presentation, Sudarsono noted, he would lead with airlift and put fighter aircraft second. With nearly 47 million Indonesians living below the poverty line, eighty percent of the annual budget went to "social protection programs." Indonesia spent roughly \$3.5 billion annually on defense, less than Singapore and the equivalent of Malaysia, which had a tenth of Indonesia's population and one fifth of its land area, Sudarsono said.

17. (C) Indonesia's defense procurement outlook had to be seen in this context, Sudarsono said. Indonesia wanted to maintain a "modicum of strike force capability" in order to maintain some sense of strategic parity with its neighbors' F-16s, F-18s and Sukhois (this last comment was a clear

reference to Singapore and Malaysia). The main focus over the next ten years, however, would be on lift.

MEETING WITH AIR FORCE CHIEF

¶18. (C) Lemkin provided the same presentation to TNI Air Force chief Air Marshal Subandrio in a separate meeting on February 15. Lemkin also gave Subandrio a letter inviting Indonesia to participate in a C-130 maintenance officer exchange. Subandrio's reception of the presentation was positive, although he did not make any commitments. In comments to the press after that meeting, Air Rear Marshall Soenaryo confirmed that the Air Force was considering the purchase of new F-16s for the 2010-2014 period and said new F-16s were a necessary replacement for the TNI's ageing fleet. He noted that new planes would significantly reduce maintenance costs over the next decade.

POSITIVE RECEPTION AND PRESS COVERAGE

¶19. (U) Lemkin's visit was reported favorably by the Indonesian press. He was quoted as saying the purpose of his visit was "to build cooperation between air forces of the two countries, as well as to improve the quality and capability of TNI aircraft, especially F-16s." Lemkin had outlined to Sudarsono "cooperative programs meant to improve TNI Air Force capability, including air operations, training, logistics support and weaponry maintenance."

¶10. (C) It is interesting that in these two discussions neither Sudarsono nor Subandrio made any mention of past sanctions or of the United States as an unreliable supplier (a common refrain in the past). They took a friendly, business-as-usual approach and were clearly willing to

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consider the USG ideas.

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